

SHRI NIRMAL KANTI CHATTERJEE: The GDP growth rate is lower and that growth rate is higher. That is the contradiction there.

SHRI M. ARUNACHALAM: He has conveniently omitted to mention that. The estimated number of jobs to be created by 2002 AD by the end of Ninth Plan comes to 94 million and they will provide employment.

MR. CHAIRMAN: You may send the hon. Member a detailed written reply.

WRITTEN ANSWERS TO QUESTIONS

[Translation]

Inflation Rate

*545. SHRI KASHI RAM RANA:

SHRI VISHVESHWAR BHAGAT:

Will the FINANCE Minister be pleased to state:

(a) whether the rate of inflation has crossed double digit mark despite measures taken by the Government to control it;

(b) if so, the details of wholesale price index and consumer price index of the essential commodities during the last six months;

(c) the reasons for constant increase in both the price indices;

(d) the weekly rate of inflation on point to point basis during the above period;

(e) the effect of increase in inflation on the wholesale and retail prices of essential commodities; and

(f) the steps taken/proposed to be taken by the Government to check the price rise and to contain the rate of inflation ?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) The annual inflation rate based on Wholesale Price Index (WPI) remained at single digit level throughout 1996-97 reaching a peak of 8 per cent in December, 1996. It has since declined to 6.35 per cent by the end of April 1997. However, the inflation rate based on Consumer Price Index for Industrial Workers (CPI-IW) peaked at 11.1 per cent in January 1997, declining thereafter to 10 per cent in March 1997.

(b) The Wholesale Price Index and Consumer Price Index for Industrial Workers (CPI-IW) for essential commodities in the six month period October-March 1996-97 is listed below:

1996-97	Essential Commodities	
	Wholesale Price Index	Consumer Price Index
October	330.4	343
November	333.9	348
December	335.4	349
January	332.1	347
February	334.4	347
March	336.5	N.A.

(c) The increase in the WPI as also in the CPI-IW during 1996-97 was due to several factors such as, the long overdue adjustment in petroleum prices (by 18%), coal (by 22 per cent), electricity (by 10.6 per cent) besides the 16 per cent increase in issue price of sugar. A decline of over 3 million tonnes in Wheat production in 1995-96 and the consequent lower procurement of 4 million tonnes was responsible for the sharp rise in the market price of foodgrains, especially wheat whose price rose by over 33 per cent.

(d) The weekly rate of annual inflation based on WPI on point-to-point basis for the past six months is listed below:

Month	Week ending	Annual Inflation (%)
1	2	3
November 1996	02.11.96	6.72
	09.11.96	6.47
	16.11.96	6.44
	23.11.96	6.76
	30.11.96	6.67
December	07.12.96	7.15
	14.12.96	7.39
	21.12.96	7.81
	28.12.96	8.05
January 1997	04.01.97	7.75
	11.01.97	7.57
	18.01.97	7.28
	25.01.97	7.53
February	01.02.97	8.03
	08.02.97	7.83
	15.02.97	7.85
	22.02.97	7.77
March	01.03.97	7.75
	08.03.97	7.78P
	15.03.97	7.65P
	22.03.97	7.51P
	29.03.97	7.35P

1	2	3
April	05.04.97	6.99P
	12.04.97	6.64P
	19.04.97	6.54P
	26.04.97	6.35P

P= Provisional

(e) Nearly 40 per cent of the WPI based annual inflation rate at the end of March 1997 was contributed by the rise in the price of essential commodities. However, in the CPI-IW based inflation, the contribution was even higher (44 per cent) as on February 1997 because of higher weight of the food items in the CPI-IW.

(f) Apart from the demand side measures to contain monetary growth to 15-15.5% in 1997-98, as also limiting the fiscal deficit to 4.5% of GDP, the Government shall continue to undertake effective supply side measures such as improved delivery and targeting through public distribution system, augmenting of public stocks of foodgrains through imports if necessary, as also liberal trade policy for import of critical essential commodities such as edible oils, pulses and sugar. Reduction in Bank lending rates as also further reduction and rationalization in excise and custom duty rates is expected to improve further the competitiveness of the industry and thus check escalation in prices.

[English]

Tatkal Scheme

*546. SHRI DADA BABURAO PARANJPE:

DR. LAXMINARAYAN PANDEY:

Will the PRIME MINISTER be pleased to state:

(a) whether the Government have assessed the success of modified "Tatkal" scheme;

(b) if so, the outcome thereof;

(c) the number of cooking gas connections so far released in each State under the said "Tatkal" gas connection scheme;

(d) the number of LPG agencies allotted under this scheme;

(e) the extent to which this scheme has affected the poor, waiting in the queue for long periods;

(f) whether it is proposed to review the implementation of the scheme; and

(g) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI T.R. BAALU):

(a) Yes, Sir.

(b) The modified Tatkal scheme has been imple-

mented effective 20th February, 1997 and it has received overwhelming response from the customers in the country.

(c) The number of LPG connections released under the modified Tatkal Scheme throughout the country till 30.4.97 is 506164.

(d) All existing distributors have been authorised to release LPG connections under Tatkal Scheme.

(e) The waitlisted registrants will not be adversely affected by the Tatkal Scheme because at present only 10% of the annual enrolment plan has been reserved for release of LPG connections under Tatkal Scheme and balance 90% enrolment has been reserved for release of connections against waiting list, Ministry of Petroleum and Natural Gas priorities, releases in Hill market and Taj Trapezium area etc. Moreover, the enrolment being made so far this year is almost double of previous year and more persons will get connections from the waiting list.

(f) The release of LPG connections under Tatkal Scheme is an ongoing activity; hence constant review is being made in the implementation of the scheme.

(g) Does not arise in view of (f) above.

Loan to Air Operators

*547. SHRI MANGAL RAM PREMI : Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to review loan norms to provide funds to private air operators in the country;

(b) if so, the details thereof alongwith the present position of the proposal;

(c) whether the Government also propose to review loan norms to provide funds to small and medium traders; and

(d) if so, the details thereof ?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b) Airline Industry is like any other Industry and credit is extended to it within the framework of guidelines as applicable to the Industrial Sector. As part of the Monetary and Credit Policy for the first half of 1997-98, Reserve Bank of India (RBI) has announced on April 15, 1997, several measures in order to improve credit delivery system. Two important measures announced by RBI, having bearing on financing of private air operators, are :

(i) It would not be obligatory on the part of banks to form a consortium even if the credit limit per borrower exceeds Rs. 50 crore. The need based finance required by the borrowers may, therefore, be extended by banks either entirely on their own, subject to observance of exposure limits or in association with others banks. As an alternative to sole/multiple banking/consortium arrangement, banks are free to adopt syndication route, irrespec-